

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2289 – HB 2425

March 12, 2012

SUMMARY OF AMENDMENT (014472): Deletes all language after the enacting clause. Authorizes counties to utilize pricing discounts offered from any national or regional governmental cooperative purchasing program when purchasing supplies and equipment. When required by charter or private act to purchase by competitive bidding, the county is authorized to consider the price given by the cooperative purchasing program as a formal bid or quotation.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – Potential reduction of expenditures for counties, municipalities, and utility districts that utilize pricing discounts offered as part of national or regional cooperative purchasing programs; however due to multiple unknown factors, a precise fiscal impact cannot be reasonably quantified.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – Potential reduction of expenditures for counties that utilize pricing discounts offered as a part of national or regional cooperative purchasing programs; however due to multiple unknown factors, a precise fiscal impact cannot be reasonably quantified.

Assumptions applied to amendment:

- It is unknown how many counties will choose to join a competitive bid cooperative purchasing program as a result of this legislation.
- Certain competitive bid purchasing programs require a payment of dues.
- The percentage of savings could vary from county to county and purchase to purchase.
- Due to a number of unknown factors, the net amount of cost savings that a county will realize using the competitive cooperative purchasing agreement in lieu of current purchasing procedures is undeterminable.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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